

**Office of Thrift Supervision's
Data Reliability and Validity
Under the Results Act**

OIG-00-061

March 06, 2000



Office of Inspector General

United States Department of the Treasury



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

OFFICE OF
INSPECTOR GENERAL

MAR 6 2000

MEMORANDUM FOR ELLEN SEIDMAN, DIRECTOR
OFFICE OF THRIFT SUPERVISION

FROM: Dennis S. Schindel *Dennis Schindel*
Assistant Inspector General for Audit

SUBJECT: Office of Thrift Supervision's Data Reliability
and Validity Under the Results Act

This memorandum transmits the final report on the Office of the Inspector General's (OIG) audit of the Office of Thrift Supervision's (OTS) systems and controls to ensure that performance information reported under the Government Performance and Results Act of 1993 (the Results Act) is reliable and valid.

During our audit, we identified two weaknesses relating to the validity and accuracy of the data used in performance reporting. Specifically, we found (1) inconsistent and inaccurate data reported for conducting Examination Outreach Program (EOP) reviews and (2) incomplete data reported from the customer satisfaction surveys. To better ensure data reliability and validity, we recommend that OTS (1) increase oversight of performance data reporting and (2) refine the customer satisfaction survey measure and provide additional informational disclosures.

We also observed three related issues that fell outside our original audit objective. Nonetheless, we are bringing these to OTS' attention with the belief that further assessment of these issues will improve the usefulness of the associated performance measures. These issues relate to the need for added disclosures and/or reassessment of how measures might be derived. The three measures include examination schedules, the outcome-oriented community affairs program, and customer survey data.

In response to our draft report, OCC concurred with the two recommendations and proposed suitable corrective action to address the three related issues. The complete text of the response is presented at the end of the report.

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to address the three related issues. The complete text of the response is presented at the end of the report.

We appreciate the courtesies and cooperation provided to our staff during the audit. Should you have any questions or require any further assistance, please call me at (202) 927-5400, or a member of your staff may contact Benny W. Lee, Director, Program Audits, in San Francisco, California at (415) 977-8810 ext. 222.

Attachment

cc: Lynnwood Campbell
Director, Internal Review
Office of Thrift Supervision

Overview

This report summarizes our audit of the Office of Thrift Supervision's (OTS) systems and controls to ensure that performance information reported under the Government Performance and Results Act of 1993 (the Results Act) is reliable and valid. This audit is one in a series of planned audits designed to assist Treasury bureaus in meeting the requirements of the Results Act. We recognize that OTS is continuing to refine its performance measures in an evolving process to better meet the Results Act goals for the Year 2000. As such, the audit conclusions presented in this report are intended to help OTS develop a systematic process for ensuring that performance data are reliable and valid when the March 2000 reporting requirement becomes effective.

Background

The Results Act holds Federal agencies systematically accountable for achieving program results. Specifically, Federal managers are required to set strategic goals, measure performance, and report on their progress. Federal agencies were required to develop strategic goals before Fiscal Year (FY) 1998 and prepare annual plans setting performance goals beginning with FY 1999. They are also required to report annually on actual performance compared to goals with the first report due March 2000. Finally, agencies are to report on actual program performance results beginning in FY 2002.

A fundamental underpinning of the Results Act is that the performance information is reliable and valid. Additionally, since errors may occur at any point in the collection, maintenance, processing, and reporting of data, an agency should have procedures in place to address data reliability and validity at each step of the process. To ensure completeness, accuracy, and consistency of performance data, an agency is to implement verification and validation procedures, identify data limitations, and disclose in the performance plans and reports how the limitations may affect the credibility of the performance information.

OTS uses data generated by both manual and automated systems to collect and report on the performance measures. Most systems were already automated and integrated before the Results Act. For instance, OTS' established automated systems include the Examination Data System (EDS), Regulatory Action Data (RAD) System, Thrift Financial Report (TFR), and the Customer Service

Management System (CSMS). Using these systems, OTS was able to capture, store, and retrieve the performance data collected when needed.

To better address Results Act requirements, OTS has taken steps to strengthen the review process. Among other things, OTS recently set up a new Internal Review Office and hired a Director. The new office is responsible for ensuring OTS' effectiveness in complying with all applicable laws including the Results Act. In addition, the recently hired Director is responsible for reviewing all of OTS' financial management and data collection systems for accuracy, planning, directing, and overseeing the development of internal control and risk management policies, and ensuring that OTS operates with strong internal controls.

Objective, Scope, and Methodology

Our audit objective was to determine whether OTS systems and control processes are in place to reasonably ensure the reliability and validity of its performance measurement data. Table 1 shows OTS' 17 performance measures as of February 1999, and the measures included in our review. In selecting OTS performance measures to be reviewed, we emphasized those performance measures related to OTS strategic goals of ensuring thrift's safety and soundness (S&S) and fair access to financial services for all Americans.

Table 1
OTS Performance Measures¹

Strategic Goal/Performance Measure	Included in Our Review
<u>Maintain and enhance OTS' risk-focused, differential and proactive approach to thrift supervision in order to contribute to safe and sound industry.</u> 1. Percentage of thrifts that received each type of examination. 2. Percentage of thrifts rated "4" or "5" during the measure period that have an enforcement action, supervisory action, or waiver in place. 3. Percentage of examination reports deemed generally consistent with OTS examination policies and procedures. 4. Percentage of thrifts receiving Year 2000 (Y2K) conversion reviews. 5. Percentage of thrifts with a satisfactory Y2K rating. 6. Percentage of thrifts with "satisfactory" or "better than satisfactory" ratings responding to an OTS survey. 7. Percentage of thrifts with a "4" or "5" compliance rating that have an enforcement action, supervisory action, or waiver in place.	X X X X X
<u>Actively support the thrift industry's efforts to meet its Community Reinvestment Act (CRA) obligations, and to provide safe and sound loans, investments and financial services for low income individuals, communities and other areas of greatest need.</u> 8. Percentage of outreach, training, or partnership building events held. 9. Number of partnerships formed, activities commenced, or investment made as a result of OTS' outreach, training, or partnership building activities. 10. Percentage of thrifts with less than satisfactory CRA rating that OTS offers one-to-one community outreach assistance to within 60 days of the completed exam. 11. Percentage of community development related regulatory barriers addressed. 12. Percentage of speeches or presentations given by OTS senior management on community development related topics.	X X X X X
<u>Maintain competitiveness of the thrift industry to ensure its safety and soundness.</u> 13. Ensure that 100 percent of thrifts are at least "adequately capitalized" or are under a Prompt Corrective Action after becoming undercapitalized. 14. Percentage of outreach project completed.	X
<u>Conduct operations efficiently to keep regulatory burdens on the thrift system at the minimum level consistent with effective supervision.</u> 15. Percentage of applications meeting processing timeframes. 16. Percentage of OTS regulatory reinvention projects completed in question and answer plain language format.	X
<u>Provide exceptional service to all major groups with which OTS interact to make government more responsive.</u> 17. Percentage of service plans that met their standards.	X

Source: OTS Performance Plan, as of February 11, 1999

¹ See Appendix 1 for the full text of the 13 measures we reviewed.

We reviewed OTS' systems and processes for collecting data for 13 of 17 performance measures. Five of the 13 measures did not have data because they were not measures in 1998. Consequently, for these five measures, we discussed with OTS officials how they were collecting data for these measures. For the eight measures carried forward from 1998, we tested the reliability and validity of performance data reported in the performance plan. We tested the data for consistency, accuracy, and completeness. We also determined whether OTS identified and adequately disclosed potential data limitations for these eight measures in its performance plan and reports.

To determine the adequacy of OTS systems and controls used for capturing and tracking the performance measurement data, we identified the necessary data and source documents for each measure's data element and judgmentally sampled the data to verify the data's accuracy. We also reviewed the data collection system and control processes for each measure to ensure that errors did not affect data reliability and validity.

We performed audit work at 2 of OTS' 5 regional offices. We did not project our observations nationwide. It should be noted, however, all five OTS regional offices would have been reporting the same performance measures and the component data elements, and all five regions would have been subject to the same national reliability and validity reporting standards. We also did not test the data that OTS obtained from external sources such as the Federal Financial Institutions and Examination Council. Although we did not evaluate the appropriateness of the measures that OTS was using to gauge performance, we identified three related issues warranting OTS' attention.

Our fieldwork was performed between March and June 1999. We performed audit work at OTS headquarters in Washington D.C., and OTS regional offices in San Francisco, California and Jersey City, New Jersey. We conducted this audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and included such audit tests as were determined necessary.

Audit Results

For most of the performance measures, we found OTS had reasonably adequate systems and processes in place to ensure that the underlying data was reliable and valid. However with four performance measures, we found (1) consistency and accuracy problems with the data reported for conducting Examination Outreach Program (EOP) reviews, and (2) a completeness problem in reporting data for customer satisfaction surveys. We also found issues relating to the clarity of the performance measures on examination schedules, outcome-oriented community affairs program, and customer satisfaction survey data.

Consistency and Accuracy of EOP Data

We found consistency and accuracy issues with the EOP review performance measure data (i.e., measure 3, Table 1, page 3). In terms of consistency, we found the regions conducted the EOP reviews of the examination reports at different points in the review process. Two regions conducted post-transmittal reviews while the other three regions conducted EOP reviews before the Report Of Examinations (ROE) were sent out.² In terms of accuracy, 1 of the 2 regions we visited included the quality assurance (QA) reviews when reporting the EOP performance results to Headquarters.

OTS policy states that examination reports should effectively communicate S&S concerns and that OTS' supervisory efforts should be responsive to thrift management's concerns. To assess these requirements, OTS developed a performance measure that focuses on EOP examination reviews. EOP reviews determine whether examinations were generally consistent with OTS policies and procedures. The regional offices conduct reviews of at least 20 percent of the ROEs annually. As indicated in the CY 1999 Performance Plan, each regional office is to conduct EOP reviews on S&S, trust, and information systems examination reports. Each region manually tracks the number of EOP reviews performed and reports that number to Headquarters quarterly.

The performance measure is supposed to reflect EOP reviews conducted before the ROEs are transmitted to the institution. We

² Post-transmittal reviews are defined as reviews of examinations performed by the regional EOP group after the ROEs have been sent to the thrift. Pre-transmittal reviews are performed before the ROEs are sent to the thrift.

found, however, that the West and the Northeast regions conducted post-transmittal reviews, whereas, according to Headquarters, the Southeast, Midwest, and Central regions conducted reviews before the ROE was transmitted.

We believe the inconsistency of when the ROEs were reviewed exists mainly due to lack of OTS Headquarters oversight of the performance measure. By performing reviews after the ROEs were sent to the thrifts, the Northeast and the West regions were unable to meet the intent of this measure, which was to ensure examination reports were consistent with OTS examination policies and procedures before they were given to the thrifts.

The data reported for the EOP measure was also inaccurate. OTS reported that 896 EOP examination reports were reviewed during 1998, including 286 for the 2 regions we visited. Of the 286, we found that OTS actually completed 206 EOP reviews. The numbers were overstated because one region included QA reviews with EOP reviews when reporting performance results to Headquarters.

According to OTS Headquarters personnel, the QA reviews should not have been combined with EOP reviews. The region submitting both types of reviews assumed that since the same regional group performed both types of reviews, OTS Headquarters would want both data. The document sent to Headquarters explicitly indicated that the total reflected both EOP and QA reviews.

The consistency and accuracy issues for this performance measure could be resolved by better oversight on the type of EOP data that should be submitted, especially since this data is collected and reported manually by the regions.

Completeness in Reporting Customer Satisfaction Survey Responses

We found that the number of customer satisfaction survey responses reported by OTS (i.e., measure 6, Tables 1, page 3) does not include responses to surveys sent out at the end of the year. Because these surveys were not returned to OTS before the annual performance report was compiled, OTS' reported performance, for example, in 2 regions omitted responses from at least 14 percent of those thrifts sent a survey.

OTS sends each thrift a customer satisfaction survey after a S&S, a compliance, or an information systems examination. The purpose of

the survey is to obtain feedback from the thrift on OTS' performance during its on-site examination. OTS officials told us that surveys are usually sent 4 to 6 weeks after the report has been transmitted to the thrifts. It is not mandatory for the thrifts to respond to the survey. However, for those that do respond to the survey, OTS enters the results into the CSMS. The CSMS is an automated system that captures and tabulates the survey responses.

The CSMS accurately identified the number of examinations conducted during the year, captured the survey responses received from the thrifts, and tabulated the total number of positive responses from review of the surveys. However, some thrift surveys were not received in time to be included in the tabulation of the performance report. Surveys were usually mailed several weeks after OTS issued the examination reports. For those exams transmitted at year-end, the surveys were not actually sent until some time in January or February of the following year. In February 1999, when OTS tabulated the final survey count, the CSMS showed the 2 regions had received 189 surveys. However, the 2 regions received 31 additional surveys after the tabulation date. As a result, 14 percent of the surveys received were not included in the final data.

Recommendations

Recommendation 1-1:

The Director of OTS should increase regional oversight to ensure performance data is reported consistently (e.g., EOP performance measure) especially when data is collected and reported manually.

Management Response and OIG Comment

OTS management concurred with the OIG recommendation. EOP data will be reported separately in future reports. In addition, the director of Internal Review will independently review financial management and data collection systems for accuracy, planning, directing and overseeing the development of internal controls prior to report submission.

The OIG believes OTS' actions will address the issues surrounding this recommendation.

Recommendation 2-1:

The Director of OTS should refine the customer satisfaction survey performance measure by either disclosing data limitations in its performance report since all customer satisfaction surveys would not be included in calculating the performance measure due to a time lag, or selecting a different starting point to capture 1 year's worth of data for customer survey responses.

Management Response and OIG Comment

OTS management concurred with the OIG recommendation. OTS will select a different starting point to capture annual data for customer survey purposes.

The OIG believes OTS' actions will address the issues surrounding this recommendation.

Other Matters for Consideration

During our audit, we observed three related issues that fell outside our original audit objective. Nonetheless, we are bringing these to OTS' attention with the belief that further assessment of these issues will improve the usefulness of the associated performance measures. These issues relate to the need for added disclosures and/or reassessment of how the measure might be derived.

Examination Schedules

To contribute to a safe and sound thrift industry, one OTS goal is to maintain and enhance a risk-focused approach to thrift supervision. One of the performance measures for this goal is "the number of thrifts that received this type of examination divided by the number of thrifts scheduled to receive this type of examination" (i.e., measure 1, Table 1, page 3). We believe the usefulness of this measure could be enhanced with additional disclosures or by revising it.

Given how this measure is derived, we believe it would be useful to note that the measure does not reflect examination timeliness. Because of the reference to scheduled examinations in the measure's denominator, the results might be mistaken as specifically meeting an examination schedule. For example, an examination scheduled for February but not started until November would be reflected by this

measure as meeting the implied performance given that both events occurred in the same calendar year. Although OTS has information systems and controls in place to identify these timeliness situations, this situation would not be reflected as an exception in the performance report or the measure.

Another possible misinterpretation might be OTS' performance in meeting the examination frequency requirements under the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA). Again, the reference to scheduled examinations in the measure's denominator could be mistakenly associated to FDICIA given that safety and soundness examinations are subject to legislatively mandated timeframes.

An enhancement to this measure might be to incorporate timeliness into the measure directly given that OTS' EDS currently captures examination data, such as the beginning and completion dates of examinations. Another possible option might be to supplement the performance report with a cautionary note about the measure not reflecting the number of scheduled examinations starting on schedule.

In response to our draft report, OTS management indicated that they will incorporate timeliness into the performance measure and disclose the related information in future reports.

Community Affairs

As a refinement to the CY 1998 Performance Plan, OTS added five Community Affairs Program (CAP) performance measures in 1999. Because there was no data for us to review and test for these measures, we only discussed with OTS officials how they plan to collect data for these measures.

One of the five measures is intended to measure outcomes rather than outputs. The outcome-oriented measure (i.e., measure 9, Table 1, page 3) attempts to identify the number of partnerships formed (i.e., partnerships may involve either OTS or the thrift and a community based organization), activities commenced, or investments made as a result of OTS' outreach, training, or partnership building activities. As of July 1999, OTS had yet to find ways to isolate OTS' contribution to the program's outcomes from external factors that also affect program outcomes. In fact, OTS noted in its "Methodology Used to Verify Measured Values" section of the CY

1999 Performance Plan that data could not be collected to support this performance measure.

Because data cannot be systematically tracked, OTS plans to provide anecdotal evidence on whether its CAP activities resulted in new partnerships formed. OTS community affairs staff told us they plan to solicit periodic feedback from the thrift industry. Additionally, OTS plans to evaluate ways to better collect this data through the examination outreach process.

OTS officials cited three reasons why it might be difficult to collect data for this measure. First, a precise cause and effect relationship does not exist between OTS' programs and the desired outcomes. OTS officials told us that many factors lead to the formation of partnerships and some are outside of OTS' control. They further said that the outcome-oriented measure creates data limitation issues because greater dependence is placed on external data sources, such as the thrift's community groups or other regulatory agencies.

Second, there is usually a time lag from when OTS provides outreach, training, and partnership building activities to thrifts to when the partnerships are formed or activities commenced. OTS officials told us that the time lag could be as much as a year. As such, they said it would be difficult to measure the immediate benefits of OTS' community affairs activities.

Third, OTS officials indicated that the results-oriented performance measure might place an administrative burden on OTS and the industry by having them collect the outcome data. They further went on to say that requiring OTS and industry personnel to track and report on all partnerships formed, programs commenced, or investments made could be time and labor intensive.

We commend OTS for attempting to establish an outcome-oriented measure. However, we believe as currently presented, this performance measure has limitations that need to be disclosed in the performance plan. These disclosures would cover the time lag and the existence of external factors affecting the reported outcomes from OTS CAP efforts. If OTS must rely on additional data from the industry, we suggest that OTS assess the possible reporting burden according to the Paper Reduction Act of 1980, as amended in 1995.

In response to our draft report, OTS management indicated that they will continue to refine this performance measure and disclose the

limitations in their performance plan. OTS will also attempt to find better ways of collecting data through their outreach process.

Customer Satisfaction Survey

One performance measure OTS uses to assess its goal related to contributing to a safe and sound industry is based on thrift responses to an OTS survey (i.e., measure 6, Table 1, page 3). We found that reported performance has been based on a 60 percent response rate. By not assessing the significance of the 40 percent non-responses, OTS' reported performance might have introduced a sampling bias, which in turn, resulted in a misleading measure of actual performance.

We found that of the 1,316 surveys distributed to the thrift institutions, OTS received 801 completed surveys or about 60 percent. OTS used the 801 surveys as its population. However, non-responses create a potential for bias that cannot be overlooked after the data has been collected. The effects of non-response bias can be substantial because a portion of the population is under-represented. The impact of non-responses is analogous to the impact of omissions in the sampling framework, whereby a proportion of the population has been omitted from the sample.

In light of the 40 percent non-response rate, we suggest that OTS assess whether there is a potential sampling bias with the reported performance under this measure. We also suggest that OTS assess the need for additional disclosures in the Performance Report as to the survey response rate.

In response to our draft report, OTS management acknowledges there may be a potential bias in light of the 40 percent non-response rate. However, they consider a 60 percent response rate for such a survey to be very good. OTS will provide additional disclosures in their performance report related to other OTS measures that reinforce such customer satisfaction data.

PERFORMANCE MEASURES REVIEWED

The full text of the 13 performance measures we reviewed is as follows.

1. The number of thrifts that received each type of examination divided by the number of thrifts scheduled to receive this type of examination.
2. The number of thrift institutions rated “4” or “5” during the measurement period that have an enforcement action, supervisory action or waiver in place or that have received a decision for waiver, enforcement action or supervisory action divided by the total number of thrift institutions that were rated “4” or “5” with examinations that were completed more than 60 days ago.
3. The number of examination reports deemed generally consistent with OTS examination policies and procedures divided by the number of examination reports reviewed.
4. The number of times thrifts rated the value of the examination process as being “satisfactory” or “better than satisfactory” divided by the total number of thrifts that responded to the examination survey.
5. Number of thrift institutions with a compliance rating of “4” or “5” during the measurement period and an enforcement action, supervisory action or waiver in place, or that have received a decision for waiver, enforcement action or supervisory action divided by the total number of thrift institutions rated “4” or “5” with examinations completed more than 60 days ago.
6. The number of outreach, training, or partnership building events held (or participated in) divided by the number of events planned (90 percent); the number of new areas or groups reached divided by the number targeted (85 percent); and the number of thrift participants divided by the number targeted (50 percent).
7. The number of new partnerships formed, activities/programs commenced or investments made in 1999 as a result of OTS’ outreach, training, or partnership building activities conducted.

PERFORMANCE MEASURES REVIEWED

8. The percentage of thrifts with less than satisfactory Community Reinvestment Act (CRA) rating assigned in 1999 that OTS offers or provided one-on-one community development related outreach and technical assistance to within 60 days of completion of the examination.
9. The number of community development related regulatory barriers addressed divided by the number identified (investment authority of CRA).
10. The number of speeches or presentations given by senior management on community development related topics divided by the number planned.
11. The number of OTS regulated thrift institutions that are at least “adequately capitalized” or are under Prompt Corrective Action Directive or are recapitalized to at least the “adequately capitalized” level within 150 days of becoming undercapitalized divided by the total number of OTS regulated thrift institutions minus those that have been undercapitalized for less than 150 days.
12. The number of applications meeting the processing timeframes except when an application contains an issue or law or policy.
13. The number of service plans that met their standards divided by the number of service plans. (The goal is that all service plans will meet their standards at least 80 percent of the time.)

MANAGEMENT RESPONSE



Office of Thrift Supervision
Department of the Treasury

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Ellen Seidman
Director

January 12, 2000

Mr. Dennis S. Schindel
Assistant Inspector General for Audit
Department of the Treasury
Office of Inspector General
Washington, D.C. 20220

Dear Mr. Schindel:

We are pleased to review and comment on the Inspector General's draft report dated December 22, 1999 entitled, *Draft Report on Audit of Office of Thrift Supervision's Data reliability and Validity Under the Results Act*.

The Office of Thrift Supervision supports the recommendations and will comply with the other matters for consideration.

Recommendation 1-1

Increase regional oversight to ensure performance data is reported consistently (eg. EOP performance measure) especially when data is collected and reported manually.

EOP data will be reported separately in future reports. The director of Internal Review will independently review financial management and data collection systems for accuracy, planning, directing and overseeing the development of internal controls prior to report submission.

We do not believe that there is an inconsistency of when EOP reviews were performed. The decision to perform post-transmittal reviews of ROEs versus pre-transmittal reviews rests with the individual regions. Post-transmittal reviews and pre-transmittal reviews have provided us with the necessary assurances that examination reports are consistent with OTS examination policies and procedures. We will refine the performance measure to reflect regional choices.

Recommendation 1-2

Refine the customer satisfaction survey performance measure by either disclosing data limitations in its performance report since all customer satisfaction

MANAGEMENT RESPONSE

Mr. Dennis S. Schindel
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surveys would not be included in calculating the performance measure due to a time lag, or selecting a different starting point to capture 1 year's worth of data for customer survey responses.

We will select a different starting point to capture 1 year's worth of data for customer survey purposes.

Other Matters -- Examination Schedules

An enhancement to this measure might be to incorporate timeliness into the measure directly given that OTS's EDS currently captures examination data, such as the beginning and completion date of examinations. Another possible option might be to supplement the performance report with a cautionary note about the measure not reflecting the number of scheduled examinations starting on schedule.

We will incorporate timeliness into the performance measure and disclose the related information in future reports.

Other Matters -- Community Affairs Program (CAP)

We believe as currently presented that the community affairs performance measure has limitations that need to be disclosed in the performance plan. These disclosures would cover the time lag and the existence of external factors affecting the reported outcomes from OTS CAP efforts. If OTS must rely on additional data from the industry, we suggest that OTS assess the possible reporting burden according to the Paper Reduction Act of 1980, as amended in 1995.

Your report clearly outlines the difficulties in establishing a performance measure for the CAP. We will continue to refine the performance measure and disclose the limitations in our performance plan.

We do not wish to increase the industry's burden by mandating data collection, however, we will attempt to find better ways of collecting data through our examination outreach process.

Other Matters -- Customer Satisfaction Survey

In light of the 40 percent non-response rate, we suggest that the OTS assess whether there is a potential sampling bias with the reported performance under this measure. We also suggest that the OTS assess the need for additional disclosures in the Performance Report as to the survey response rate.

MANAGEMENT RESPONSE

Mr. Dennis S. Schindel
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OTS acknowledges there may be a potential bias in light of the 40 percent non-response rate. However, a 60% response rate for any passive survey is generally considered to be very good. OTS remains confident in and pleased with the high level of satisfied responses.

We will provide additional disclosures in the performance report related to other OTS measures that reinforce customer satisfaction data obtained through town meetings, the examination outreach program, the Ombudsman's office, contacts with trade groups and direct meetings with me and other senior level management.

Our staff appreciated the courtesies extended by your staff. We look forward to cooperation in future audits.

Please contact me or Lynnwood Campbell, 202-906-5713, if you or your staff have additional questions.

Sincerely,



Ellen Seidman
Director

Enclosure

MAJOR CONTRIBUTORS TO THIS REPORT

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